



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

To the County Commission  
and  
Officeholders of Daviess County, Missouri

The State Auditor's Office through the State Office of Administration, Division of Purchasing, contracted the audit services of Daviess County, Missouri, for the two years ended December 31, 2002. A copy of this audit which was performed by Arthur White & Associates, L.L.C., Certified Public Accountants, is attached.

Claire C. McCaskill  
State Auditor

Report No. 2003-57  
June 30, 2003

**DAVIESS COUNTY, MISSOURI  
DECEMBER 31, 2001 AND 2002**

DAVIESS COUNTY, MISSOURI

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## FINANCIAL SECTION

## Independent Auditors' Reports

# ARTHUR WHITE & ASSOCIATES, L.L.C.

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## CERTIFIED PUBLIC ACCOUNTANTS

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Tarkio, Missouri 64491  
Telephone (660) 736-5811  
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Offices also located in:  
St. Joseph, Missouri  
Rock Port, Missouri

### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

May 29, 2003

To the County Commission  
and  
Officeholders of Daviess County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Daviess County, Missouri, as of and for the years ended December 31, 2002 and 2001, as identified in the table of contents. These special-purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Daviess County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the County and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Daviess County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Daviess County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the County as of and for the years ended December 31, 2002 and 2001, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we also have issued our report dated May 29, 2003, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

Original Signed by Auditor

ARTHUR WHITE & ASSOCIATES, L.L.C.



# ARTHUR WHITE & ASSOCIATES, L.L.C.

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### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

May 29, 2003

To the County Commission  
and  
Officeholders of Daviess County, Missouri

We have audited the special-purpose financial statements of various funds of Daviess County, Missouri, as of and for the years ended December 31, 2002 and 2001, and have issued our report thereon dated May 29, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Daviess County, Missouri, are free of material misstatement, we performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings and Questioned Costs as finding numbers 02-2, 02-3, and 02-4.

#### Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Daviess County, Missouri, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the

County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the special-purpose statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as finding number 02-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above are material weaknesses.

This report is intended for the information of the management of Daviess County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials and should not be used by anyone other than these specified parties.

Original Signed by Auditor

ARTHUR WHITE & ASSOCIATES, L.L.C.

## Financial Statements

## Exhibit A-1

DAVIESS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
 YEAR ENDED DECEMBER 31, 2002

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 652,748	\$ 782,340	\$ 619,091	\$ 815,997
Special Road and Bridge	727,144	1,163,126	1,139,528	750,742
Assessment	-	113,205	121,813	(8,608)
Law Enforcement Sales Tax	56,362	383,369	395,980	43,751
Election Service	3,328	1,240	271	4,297
Frazier	15,289	394	200	15,483
Prosecuting Attorney Training	356	1,152	1,158	350
Law Enforcement Training	7,240	4,682	6,791	5,131
Law Enforcement Training - POST	1,366	2,071	2,034	1,403
Sheriff Civil Fee	22,525	6,986	22,455	7,056
Sheriff Forfeiture	624	11	-	635
Mays Estate	14,671	393	-	15,064
Domestic Violence	1,712	377	1,750	339
Prosecuting Attorney Check Processing	3,570	6,345	8,616	1,299
Prosecuting Attorney Forfeitures	283	5	-	288
Prosecuting Attorney Delinquent Tax	2	-	-	2
Jackson Township Grant Maintenance	23,130	17,388	-	40,518
Local Emergency Planning Committee	5,567	2,374	5,692	2,249
Prosecuting Attorney Retirement	-	4,500	4,500	-
Recorder User Fee	27,325	5,428	-	32,753
Jail Capital Improvement	451,811	12,053	107,500	356,364
Care Center Lease	229,776	6,012	-	235,788
Health Care Reserve	36,829	633	187	37,275
Recorder Technology Fund	1,378	3,146	-	4,524
Health Center	165,549	417,238	411,503	171,284
Central Dispatch Emergency Services	345,576	246,637	199,570	392,643
Developmentally Disabled	132,433	76,643	58,832	150,244
Circuit Clerk Interest	9,460	4,884	4,537	9,807
Associate Circuit Interest	2,045	2,106	2,542	1,609
Law Library	2,230	3,578	5,006	802
Prosecuting Attorney Administrative	-	91	54	37
Bond Forfeiture	-	4,670	3,208	1,462
Total	<u>\$ 2,940,329</u>	<u>\$ 3,273,077</u>	<u>\$ 3,122,818</u>	<u>\$ 3,090,588</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit A-2

DAVISS COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 2001

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 698,461	\$ 693,441	\$ 739,154	\$ 652,748
Special Road and Bridge	963,463	902,272	1,138,591	727,144
Assessment	-	123,539	123,539	-
Law Enforcement Sales Tax	78,295	313,058	334,991	56,362
Election Service	1,433	1,958	63	3,328
Frazier	14,596	803	110	15,289
Prosecuting Attorney Training	1,454	1,093	2,191	356
Law Enforcement Training	8,846	4,583	6,189	7,240
Law Enforcement Training - POST	1,287	2,311	2,232	1,366
Sheriff Civil Fee	25,365	8,486	11,326	22,525
Sheriff Forfeiture	606	18	-	624
Mays Estate	13,885	786	-	14,671
Domestic Violence	1,268	444	-	1,712
Prosecuting Attorney Check Processing	2,891	6,610	5,931	3,570
Prosecuting Attorney Forfeitures	275	8	-	283
Prosecuting Attorney Delinquent Tax	2	-	-	2
Jackson Township Grant Maintenance	60,790	7,234	44,894	23,130
Local Emergency Planning Committee	6,565	2,661	3,659	5,567
Prosecuting Attorney Retirement		4,875	4,875	-
Recorder User Fee	23,329	5,320	1,324	27,325
Jail Capital Improvement	329,959	121,852	-	451,811
Care Center Lease	145,646	105,130	21,000	229,776
Health Care Reserve	151,154	3,271	117,596	36,829
Recorder Technology Fund		1,378	-	1,378
Health Center	137,133	367,749	339,333	165,549
Central Dispatch Emergency Services	284,860	249,256	188,540	345,576
Developmentally Disabled	94,198	76,378	38,143	132,433
Circuit Clerk Interest	2,861	8,083	1,484	9,460
Associate Circuit Interest	2,203	1,498	1,656	2,045
Law Library	1,641	2,390	1,801	2,230
Total	\$ 3,052,466	\$ 3,016,485	\$ 3,128,622	\$ 2,940,329

## Exhibit B-1

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 GENERAL REVENUE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 225,500	\$ 211,737	\$ (13,763)	\$ 207,000	\$ 210,411	\$ 3,411
Sales taxes	231,000	235,020	4,020	216,500	226,307	9,807
Intergovernmental	16,400	20,620	4,220	30,830	30,985	155
Charges for services	101,300	117,949	16,649	98,550	99,812	1,262
Interest	35,000	19,720	(15,280)	35,000	39,250	4,250
Other	139,600	143,294	3,694	38,300	23,676	(14,624)
Transfers in	34,000	34,000	-	64,500	63,000	(1,500)
Total Receipts	782,800	782,340	(460)	690,680	693,441	2,761
DISBURSEMENTS						
County Commission	76,660	75,595	1,065	91,153	73,166	17,987
County Clerk	68,136	66,903	1,233	65,341	63,983	1,358
Elections	42,705	31,198	11,507	36,080	22,548	13,532
Buildings and grounds	135,792	48,768	87,024	133,243	109,884	23,359
Employee fringe benefits	51,165	41,984	9,181	66,000	22,221	43,779
County Treasurer	44,150	42,553	1,597	42,950	39,339	3,611
County Collector	2,800	1,473	1,327	2,750	2,416	334
Recorder of Deeds		19,120	(19,120)			-
Circuit Clerk	21,236	2,052	19,184	20,158	19,363	795
Associate Circuit Court	24,787	17,418	7,369	25,160	18,243	6,917
Court administration	13,100	8,072	5,028	14,000	3,939	10,061
Public Administrator	16,850	16,566	284	16,050	16,177	(127)
Prosecuting Attorney	82,204	75,104	7,100	81,445	79,243	2,202
Juvenile Officer	9,861	5,269	4,592	10,437	6,409	4,028
Coroner	19,245	15,266	3,979	16,890	14,660	2,230
Other county government	95,020	67,704	27,316	106,650	96,800	9,850
Miscellaneous & Litigation	96,500	13,541	82,959	5,000	1,571	3,429
Health and welfare	1,000		1,000	1,000		1,000
Transfers out	22,500	51,904	(29,404)	139,500	123,332	16,168
Emergency fund	50,000	18,601	31,399	50,000	25,860	24,140
Total Disbursements	873,711	619,091	254,620	923,807	739,154	184,653
RECEIPTS OVER (UNDER) DISBURSEMENTS	(90,911)	163,249	254,160	(233,127)	(45,713)	187,414
CASH, JANUARY 1	652,748	652,748	-	698,461	698,461	-
CASH, DECEMBER 31	\$ 561,837	\$ 815,997	\$ 254,160	\$ 465,334	\$ 652,748	\$ 187,414

The accompanying Notes to the Financial Statements are an integral part of these statements.

Exhibit B-2

DAVIESS COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
SPECIAL ROAD AND BRIDGE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$1,015,000	\$1,113,411	\$ 98,411	\$1,485,000	\$ 833,092	\$ (651,908)
Charges for services			-		46,374	46,374
Interest	40,000	22,963	(17,037)	50,000	22,806	(27,194)
Other	10,000	26,752	16,752			-
Transfers in			-	9,000		(9,000)
Total Receipts	1,065,000	1,163,126	98,126	1,544,000	902,272	(641,728)
DISBURSEMENTS						
Salaries	120,000	89,195	30,805	120,000	109,572	10,428
Employee fringe benefits	29,380	17,158	12,222	23,900	13,118	10,782
Supplies	22,500	14,113	8,387	25,500	15,179	10,321
Insurance	8,800	6,974	1,826	8,300	6,844	1,456
Road and bridge materials	537,000	378,785	158,215	499,500	435,528	63,972
Equipment repairs	20,000	9,088	10,912	20,000	14,448	5,552
Rentals	2,000		2,000	2,000		2,000
Equipment purchases	160,000	98,661	61,339	200,000	94,831	105,169
Road and bridge materials	750,000	478,807	271,193	1,170,000	376,618	793,382
Other	14,900	8,327	6,573	13,900	5,033	8,867
Transfers out	38,420	38,420	-	67,420	67,420	-
Total Disbursements	1,703,000	1,139,528	563,472	2,150,520	1,138,591	1,011,929
RECEIPTS OVER (UNDER) DISBURSEMENTS	(638,000)	23,598	661,598	(606,520)	(236,319)	370,201
CASH, JANUARY 1	727,144	727,144	-	963,463	963,463	-
CASH, DECEMBER 31	\$ 89,144	\$ 750,742	\$ 661,598	\$ 356,943	\$ 727,144	\$ 370,201

The accompanying Notes to the Financial Statements are an integral part of these statements.

Exhibit B-3

DAVIESS COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ASSESSMENT FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 117,628	\$ 109,365	\$ (8,263)	\$ 108,463	\$ 104,105	\$ (4,358)
Charges for services			-		513	513
Interest	500	257	(243)	1,000		(1,000)
Other	500	804	304		464	464
Transfers in	18,000	2,779	(15,221)	35,000	18,457	(16,543)
Total Receipts	136,628	113,205	(23,423)	144,463	123,539	(20,924)
DISBURSEMENTS						
Assessor	136,305	121,813	14,492	144,456	123,539	20,917
Total Disbursements	136,305	121,813	14,492	144,456	123,539	20,917
RECEIPTS OVER (UNDER) DISBURSEMENTS	323	(8,608)	(8,931)	7	-	(7)
CASH, JANUARY 1	-	-	-	-	-	-
CASH, DECEMBER 31	\$ 323	\$ (8,608)	\$ (8,931)	\$ 7	\$ -	\$ (7)

The accompanying Notes to the Financial Statements are an integral part of these statements.



DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LAW ENFORCEMENT SALES TAX FUND

	Year Ended December 31,			Year Ended December 31,		
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Sales tax revenues	\$ 231,000	\$235,020	\$ 4,020	\$216,500	\$226,307	\$ 9,807
Intergovernmental	31,200	43,271	12,071	48,000	48,847	847
Interest	750	610	(140)	1,300	1,987	687
Charges for services	6,000	11,358	5,358	10,500	5,615	(4,885)
Transfers in	100,000	45,000	(55,000)			-
Other	28,050	48,110	20,060	27,300	30,302	3,002
Total Receipts	397,000	383,369	(13,631)	303,600	313,058	9,458
DISBURSEMENTS						
Salaries	155,846	141,620	14,226	146,170	131,042	15,128
Office expenses	9,000	8,097	903	7,600	10,225	(2,625)
Equipment	2,500	953	1,547	1,000	1,029	(29)
Travel	21,000	18,380	2,620	51,968	46,352	5,616
Miscellaneous	5,940	10,845	(4,905)	10,100	10,287	(187)
Insurance	17,722	16,706	1,016	22,400	21,102	1,298
Prisoner costs	238,000	199,379	38,621	122,000	114,954	7,046
Total Disbursements	450,008	395,980	54,028	361,238	334,991	26,247
RECEIPTS OVER (UNDER) DISBURSEMENTS	(53,008)	(12,611)	40,397	(57,638)	(21,933)	35,705
CASH, JANUARY 1	56,362	56,362	-	78,295	78,295	-
CASH, DECEMBER 31	\$ 3,354	\$ 43,751	\$ 40,397	\$ 20,657	\$ 56,362	\$ 35,705

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B-5

DAVIESS COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ELECTION SERVICE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental revenues	\$ 2,000	\$ 1,193	\$ (807)	\$ 1,500	\$ 1,904	\$ 404
Interest	60	47	(13)	25	54	29
Total Receipts	2,060	1,240	(820)	1,525	1,958	433
DISBURSEMENTS						
Equipment	5,000	271	4,729	2,750	63	2,687
Total Disbursements	5,000	271	4,729	2,750	63	2,687
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,940)	969	3,909	(1,225)	1,895	3,120
CASH, JANUARY 1	3,328	3,328	-	1,433	1,433	-
CASH, DECEMBER 31	\$ 388	\$ 4,297	\$ 3,909	\$ 208	\$ 3,328	\$ 3,120

The accompanying Notes to the Financial Statements are an integral part of these statements.

Exhibit B-6

DAVISS COUNTY, MISSOURI

COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
FRAZIER FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 600	\$ 394	\$ (206)	\$ 1,000	\$ 803	\$ (197)
Total Receipts	600	394	(206)	1,000	803	(197)
DISBURSEMENTS						
School supplies	500	200	300	500	110	390
Total Disbursements	500	200	300	500	110	390
RECEIPTS OVER (UNDER) DISBURSEMENTS	100	194	94	500	693	193
CASH, JANUARY 1	15,289	15,289	-	14,596	14,596	-
CASH, DECEMBER 31	\$ 15,389	\$ 15,483	\$ 94	\$ 15,096	\$ 15,289	\$ 193

The accompanying Notes to the Financial Statements are an integral part of these statements.

Exhibit B-7

DAVIESS COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
PROSECUTING ATTORNEY TRAINING FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 1,250	\$ 1,150	\$ (100)	\$ 1,200	\$ 1,067	\$ (133)
Interest		2	2	40	26	(14)
Total Receipts	1,250	1,152	(98)	1,240	1,093	(147)
DISBURSEMENTS						
Tuition	1,400	1,158	242	2,175	2,191	(16)
Total Disbursements	1,400	1,158	242	2,175	2,191	(16)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(150)	(6)	144	(935)	(1,098)	(163)
CASH, JANUARY 1	356	356	-	1,454	1,454	-
CASH, DECEMBER 31	\$ 206	\$ 350	\$ 144	\$ 519	\$ 356	\$ (163)

The accompanying Notes to the Financial Statements are an integral part of these statements.

Exhibit B-8

DAVISS COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW ENFORCEMENT TRAINING FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 4,500	\$ 4,584	\$ 84	\$ 7,000	\$ 4,221	\$ (2,779)
Interest	350	98	(252)	500	362	(138)
Total Receipts	4,850	4,682	(168)	7,500	4,583	(2,917)
DISBURSEMENTS						
Tuition	9,800	6,791	3,009	10,800	6,189	4,611
Total Disbursements	9,800	6,791	3,009	10,800	6,189	4,611
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,950)	(2,109)	2,841	(3,300)	(1,606)	1,694
CASH, JANUARY 1	7,240	7,240	-	8,846	8,846	-
CASH, DECEMBER 31	\$ 2,290	\$ 5,131	\$ 2,841	\$ 5,546	\$ 7,240	\$ 1,694

The accompanying Notes to the Financial Statements are an integral part of these statements.

Exhibit B-9

DAVIESS COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW ENFORCEMENT TRAINING - POST FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental revenues	\$ 3,000		\$ (3,000)	\$ 3,000	\$ 2,196	\$ (804)
Interest	70	\$ 37	(33)	75	115	40
Other revenue		2,034	2,034			-
Total Receipts	3,070	2,071	(999)	3,075	2,311	(764)
DISBURSEMENTS						
Expenses	4,200	2,034	2,166	4,000	2,232	1,768
Total Disbursements	4,200	2,034	2,166	4,000	2,232	1,768
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,130)	37	1,167	(925)	79	1,004
CASH, JANUARY 1	1,366	1,366	-	1,287	1,287	-
CASH, DECEMBER 31	\$ 236	\$ 1,403	\$ 1,167	\$ 362	\$ 1,366	\$ 1,004

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SHERIFF CIVIL FEE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 7,200	\$ 6,855	\$ (345)	\$ 8,500	\$ 7,290	\$ (1,210)
Interest	100	131	31	1,300	1,196	(104)
Total Receipts	7,300	6,986	(314)	9,800	8,486	(1,314)
DISBURSEMENTS						
Equipment purchases	26,725	22,455	4,270	25,000	11,326	13,674
Total Disbursements	26,725	22,455	4,270	25,000	11,326	13,674
RECEIPTS OVER (UNDER) DISBURSEMENTS	(19,425)	(15,469)	3,956	(15,200)	(2,840)	12,360
CASH, JANUARY 1	22,525	22,525	-	25,365	25,365	-
CASH, DECEMBER 31	\$ 3,100	\$ 7,056	\$ 3,956	\$10,165	\$22,525	\$ 12,360

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SHERIFF FORFIETURE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest income	\$ 15	\$ 11	\$ (4)	\$ 20	\$ 18	\$ (2)
Total Receipts	15	11	(4)	20	18	(2)
DISBURSEMENTS						
Other expenses	600		600	600		600
Total Disbursements	600	-	600	600	-	600
RECEIPTS OVER (UNDER) DISBURSEMENTS	(585)	11	596	(580)	18	598
CASH, JANUARY 1	624	624	-	606	606	-
CASH, DECEMBER 31	\$ 39	\$ 635	\$ 596	\$ 26	\$ 624	\$ 598

The accompanying Notes to the Financial Statements are an integral part of these statements.



DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 MAYS ESTATE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for service	\$ 800		\$ (800)			\$ -
Interest		\$ 393	393	\$ 650	\$ 786	136
Total Receipts	800	393	(407)	650	786	136
DISBURSEMENTS						
Equipment purchases	13,000		13,000	13,000		13,000
Total Disbursements	13,000	-	13,000	13,000	-	13,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	(12,200)	393	12,593	(12,350)	786	13,136
CASH, JANUARY 1	14,671	14,671	-	13,885	13,885	-
CASH, DECEMBER 31	\$ 2,471	\$15,064	\$ 12,593	\$ 1,535	\$14,671	\$ 13,136

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 DOMESTIC VIOLENCE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 50	\$ 42	\$ (8)	\$ 79	\$ 79	
Intergovernmental revenues		335	335	\$ 300	365	65
Total Receipts	50	377	327	300	444	144
DISBURSEMENTS						
Women's shelter	1,750	1,750	-	1,500		1,500
Total Disbursements	1,750	1,750	-	1,500	-	1,500
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,700)	(1,373)	327	(1,200)	444	1,644
CASH, JANUARY 1	1,712	1,712	-	1,268	1,268	-
CASH, DECEMBER 31	\$ 12	\$ 339	\$ 327	\$ 68	\$ 1,712	\$ 1,644

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY CHECK PROCESSING FUND

	Year Ended December 31,			Year Ended December 31,		
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 3,600	\$ 6,345	\$ 2,745	\$ 3,200	\$ 6,048	\$ 2,848
Interest			-	25	7	(18)
Other revenue			-		555	555
Total Receipts	3,600	6,345	2,745	3,225	6,610	3,385
DISBURSEMENTS						
Disbursements	7,160	8,616	(1,456)	3,310	5,931	(2,621)
Total Disbursements	7,160	8,616	(1,456)	3,310	5,931	(2,621)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,560)	(2,271)	4,201	(85)	679	6,006
CASH, JANUARY 1	3,570	3,570	-	2,891	2,891	-
CASH, DECEMBER 31	\$ 10	\$ 1,299	\$ 4,201	\$ 2,806	\$ 3,570	\$ 6,006

The accompanying Notes to the Financial Statements are an integral part of this statement.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY FORFEITURES FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest income		\$ 5	\$ 5	\$ 5	\$ 8	\$ 3
Total Receipts	\$ -	5	5	5	8	3
DISBURSEMENTS						
Other	283		283	275		275
Total Disbursements	283	-	283	275	-	275
RECEIPTS OVER (UNDER) DISBURSEMENTS	(283)	5	288	(270)	8	278
CASH, JANUARY 1	283	283	-	275	275	-
CASH, DECEMBER 31	\$ -	\$ 288	\$ 288	\$ 5	\$ 283	\$ 278

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY DELINQUENT TAX FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Revenues			\$ -			\$ -
Total Receipts	\$ -	\$ -	-	\$ -	\$ -	-
DISBURSEMENTS						
Expenses			-			-
Total Disbursements	-	-	-	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	-	-	-	-	-
CASH, JANUARY 1	2	2	-	2	2	-
CASH, DECEMBER 31	\$ 2	\$ 2	\$ -	\$ 2	\$ 2	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 JACKSON TOWNSHIP GRANT MAINTENANCE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental revenues	\$ 500	\$ 500	\$ -	\$ 500		\$ (500)
Interest income	2,500	468	(2,032)	1,000	\$ 2,814	1,814
Other	12,000	12,000	-	6,000		(6,000)
Transfers in	4,420	4,420	-	4,420	4,420	-
Total Receipts	19,420	17,388	(2,032)	11,920	7,234	(4,686)
DISBURSEMENTS						
Publication			-	60,000	1,314	58,686
Resurfacing	2,000		2,000		43,580	(43,580)
Total Disbursements	2,000	-	2,000	60,000	44,894	15,106
RECEIPTS OVER (UNDER) DISBURSEMENTS	17,420	17,388	(32)	(48,080)	(37,660)	10,420
CASH, JANUARY 1	23,130	23,130	-	60,790	60,790	-
CASH, DECEMBER 31	\$40,550	\$40,518	\$ (32)	\$12,710	\$23,130	\$ 10,420

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LOCAL EMERGENCY PLANNING COMMITTEE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 1,500	\$ 2,333	\$ 833	\$ 2,500	\$ 2,502	\$ 2
Transfers in	100	41	(59)		159	159
Interest income			-	100		(100)
Total Receipts	1,600	2,374	774 -	2,600	2,661	61
DISBURSEMENTS						
Expenses	6,600	5,692	908	7,000	3,659	3,341
Total Disbursements	6,600	5,692	908	7,000	3,659	3,341
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,000)	(3,318)	1,682	(4,400)	(998)	3,402
CASH, JANUARY 1	5,567	5,567	-	6,565	6,565	-
CASH, DECEMBER 31	\$ 567	\$ 2,249	\$ 1,682	\$ 2,165	\$ 5,567	\$ 3,402

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY RETIREMENT FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Transfers in	\$ 4,500	\$ 4,500	\$ -	\$ 4,500	\$ 4,875	\$ 375
Total Receipts	4,500	4,500	-	4,500	4,875	375
DISBURSEMENTS						
Retirement	4,500	4,500	-	4,500	4,875	(375)
Total Disbursements	4,500	4,500	-	4,500	4,875	(375)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	-	-	-	-	-
CASH, JANUARY 1	-	-	-	-	-	-
CASH, DECEMBER 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying Notes to the Financial Statements are an integral part of these statements.



DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 RECORDER USER FEE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 4,000	\$ 5,076	\$ 1,076	\$ 4,000	\$ 4,608	\$ 608
Interest		352	352	1,000	712	(288)
Total Receipts	4,000	5,428	1,428	5,000	5,320	320
DISBURSEMENTS						
Payroll			-	1,000		1,000
Office supplies & equipment	31,325		31,325	22,000	1,324	20,676
Total Disbursements	31,325	-	31,325	23,000	1,324	21,676
RECEIPTS OVER (UNDER) DISBURSEMENTS	(27,325)	5,428	32,753	(18,000)	3,996	21,996
CASH, JANUARY 1	27,325	27,325	-	23,329	23,329	-
CASH, DECEMBER 31	\$ -	\$ 32,753	\$ 32,753	\$ 5,329	\$ 27,325	\$ 21,996

The accompanying Notes to the Financial Statements are an integral part of these statements.

Exhibit B-21

DAVIESS COUNTY, MISSOURI  
COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
JAIL CAPITAL IMPROVEMENT FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Transfers in	\$ 100,000		\$ (100,000)	\$ 100,000	\$ 100,000	\$ -
Interest income	22,000	\$ 12,053	(9,947)	25,000	21,852	(3,148)
Total Receipts	122,000	12,053	(109,947)	125,000	121,852	(3,148)
DISBURSEMENTS						
Construction	110,000	107,500	2,500	10,000		10,000
Total Disbursements	110,000	107,500	2,500	10,000	-	10,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	12,000	(95,447)	(107,447)	115,000	121,852	6,852
CASH, JANUARY 1	451,811	451,811	-	329,959	329,959	-
CASH, DECEMBER 31	\$463,811	\$356,364	\$ (107,447)	\$444,959	\$451,811	\$ 6,852

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CARE CENTER LEASE FUND

	Year Ended December 31,			Year Ended December 31,		
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 6,000	\$ 4,532	\$ (1,468)	\$ 6,000	\$ 9,130	\$ 3,130
Other		1,480	1,480	96,000	96,000	-
Total Receipts	6,000	6,012	12	102,000	105,130	3,130
DISBURSEMENTS						
Property management	10,000		10,000	35,000	21,000	14,000
Total Disbursements	10,000	-	10,000	35,000	21,000	14,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,000)	6,012	10,012	67,000	84,130	17,130
CASH, JANUARY 1	229,776	229,776	-	145,646	145,646	-
CASH, DECEMBER 31	\$225,776	\$235,788	\$ 10,012	\$212,646	\$229,776	\$ 17,130

The accompanying Notes to the Financial Statements are an integral part of this statement.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 HEALTH CARE RESERVE FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest income	\$ 1,000	\$ 633	\$ (367)	\$ 4,000	\$ 3,271	\$ (729)
Total Receipts	1,000	633	(367)	4,000	3,271	(729)
DISBURSEMENTS						
Health care	37,800	187	37,613	150,000	117,596	32,404
Total Disbursements	37,800	187	37,613	150,000	117,596	32,404
RECEIPTS OVER (UNDER) DISBURSEMENTS	(36,800)	446	37,246	(146,000)	(114,325)	31,675
CASH, JANUARY 1	36,829	36,829	-	151,154	151,154	-
CASH, DECEMBER 31	\$ 29	\$ 37,275	\$ 37,246	\$ 5,154	\$ 36,829	\$ 31,675

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 RECORDER TECH FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 1,700	\$ 2,894	\$ 1,194		\$ 891	\$ 891
Interest	1,000	252	(748)		487	487
Total Receipts	2,700	3,146	446	\$ -	1,378	1,378
DISBURSEMENTS						
Expenses	4,078		4,078			-
Total Disbursements	4,078	-	4,078	-	-	-
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,378)	3,146	4,524	-	1,378	1,378
CASH, JANUARY 1	1,378	1,378	-	-	-	-
CASH, DECEMBER 31	\$ -	\$ 4,524	\$ 4,524	\$ -	\$ 1,378	\$ 1,378

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 HEALTH CENTER FUND

	Year Ended December 31, 2002			Year Ended December 31, 2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property tax	\$184,400	\$186,149	\$ 1,749	\$ 68,500	\$ 87,746	\$ 19,246
Intergovernmental revenues	124,378	130,281	5,903	126,841	119,336	(7,505)
Charges for services	47,000	61,428	14,428	46,750	59,222	12,472
Note			-		50,000	50,000
Interest	10,000	5,210	(4,790)	9,000	9,486	486
Other	54,520	34,170	(20,350)	54,520	41,959	(12,561)
Total Receipts	420,298	417,238	(3,060)	305,611	367,749	62,138
DISBURSEMENTS						
Salaries	235,772	232,412	3,360	207,030	216,818	(9,788)
Office expense	20,000	12,452	7,548	12,000	12,805	(805)
Mileage & training	11,500	7,299	4,201	10,800	8,426	2,374
Other	108,600	113,900	(5,300)	80,800	59,980	20,820
Contracts	43,800	45,440	(1,640)	43,750	41,304	2,446
Total Disbursements	419,672	411,503	8,169	354,380	339,333	15,047
RECEIPTS OVER (UNDER) DISBURSEMENTS	626	5,735	5,109	(48,769)	28,416	77,185
CASH, JANUARY 1	165,549	165,549	-	137,133	137,133	-
CASH, DECEMBER 31	\$166,175	\$171,284	\$ 5,109	\$ 88,364	\$ 165,549	\$ 77,185

The accompanying Notes to the Financial Statements are an integral part of this statement.

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CENTRAL DISPATCH EMERGENCY SERVICES FUND

	Year Ended December 31, 2002			Year Ended December 31, 2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Sales tax	\$216,000	\$234,901	\$ 18,901	\$200,000	\$225,862	\$ 25,862
Interest	8,000	8,105	105	10,000	14,331	4,331
Other	2,100	3,631	1,531		9,063	9,063
Total Receipts	226,100	246,637	20,537	210,000	249,256	39,256
DISBURSEMENTS						
Salaries	139,000	131,895	7,105	126,873	126,862	11
Office expense	10,820	6,931	3,889	9,470	7,068	2,402
Equipment	5,750	5,516	234	1,500	535	965
Capital expenditures	10,000	3,777	6,223	8,750	6,546	2,204
Training	4,050	633	3,417	4,050	2,585	1,465
Other	54,810	50,818	3,992	51,250	44,944	6,306
Total Disbursements	224,430	199,570	24,860	201,893	188,540	13,353
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,670	47,067	45,397	8,107	60,716	52,609
CASH, JANUARY 1	345,576	345,576	-	284,860	284,860	-
CASH, DECEMBER 31	\$347,246	\$392,643	\$ 45,397	\$292,967	\$345,576	\$ 52,609

The accompanying Notes to the Financial Statements are an integral part of this statement.

DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 DEVELOPMENTALLY DISABLED FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property tax	\$ 70,000	\$ 72,196	\$ 2,196	\$ 70,000	\$ 70,721	\$ 721
Intergovernmental revenue	27	25	(2)			-
Interest income	4,528	4,321	(207)	3,000	5,657	2,657
Other revenue	-	101	101			-
Total Receipts	74,555	76,643	2,088	73,000	76,378	3,378
DISBURSEMENTS						
Office	2,010	3,915	(1,905)	2,000	1,176	824
Equipment	3,000		3,000	1,000	2,650	(1,650)
Mileage and training	990		990	1,000		1,000
Proposals	194,000	54,917	139,083	154,000	34,317	119,683
Total Disbursements	200,000	58,832	141,168	158,000	38,143	119,857
RECEIPTS OVER (UNDER) DISBURSEMENTS	(125,445)	17,811	143,256	(85,000)	38,235	123,235
CASH, JANUARY 1	132,433	132,433	-	94,198	94,198	-
CASH, DECEMBER 31	\$ 6,988	\$150,244	\$ 143,256	\$ 9,198	\$132,433	\$ 123,235

The accompanying Notes to the Financial Statements are an integral part of these statements.



DAVISS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 CIRCUIT CLERK INTEREST FUND

	Year Ended December 31,			Year Ended December 31,		
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 4,000	\$ 4,884	\$ 884	\$ 1,000	\$ 8,083	\$ 7,083
Total Receipts	4,000	4,884	884	1,000	8,083	7,083
DISBURSEMENTS						
Equipment			-		539	(539)
Capital expenditures		2,537	(2,537)			-
Other	13,460	2,000	11,460	2,916	945	1,971
Total Disbursements	13,460	4,537	8,923	2,916	1,484	1,432
RECEIPTS OVER (UNDER) DISBURSEMENTS	(9,460)	347	9,807	(1,916)	6,599	8,515
CASH, JANUARY 1	9,460	9,460	-	2,861	2,861	-
CASH, DECEMBER 31	\$ -	\$ 9,807	\$ 9,807	\$ 945	\$ 9,460	\$ 8,515

The accompanying Notes to the Financial Statements are an integral part of this statement.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 ASSOCIATE CIRCUIT INTEREST FUND

	Year Ended December 31,			Year Ended December 31,		
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest		\$ 2,106	\$ 2,106		\$ 1,498	\$ 1,498
Total Receipts	\$ -	2,106	2,106	\$ -	1,498	1,498
DISBURSEMENTS						
Other		2,542	(2,542)		1,656	(1,656)
Total Disbursements	-	2,542	(2,542)	-	1,656	(1,656)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	(436)	(436)	-	(158)	(158)
CASH, JANUARY 1	2,045	2,045	-	2,203	2,203	-
CASH, DECEMBER 31	\$ 2,045	\$ 1,609	\$ (436)	\$ 2,203	\$ 2,045	\$ (158)

The accompanying Notes to the Financial Statements are an integral part of this statement.

DAVIESS COUNTY, MISSOURI  
 COMPARATIVE STATEMENTS OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 LAW LIBRARY FUND

	Year Ended December 31,					
	2002			2001		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 2,300	\$ 3,578	\$ 1,278	\$ 1,690	\$ 2,390	\$ 700
Total Receipts	2,300	3,578	1,278	1,690	2,390	700
DISBURSEMENTS						
Library updates	-	5,006	(5,006)	1,050	1,801	(751)
Total Disbursements	-	5,006	(5,006)	1,050	1,801	(751)
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,300	(1,428)	(3,728)	640	589	(51)
CASH, JANUARY 1	2,230	2,230	-	1,641	1,641	-
CASH, DECEMBER 31	\$ 4,530	\$ 802	\$ (3,728)	\$ 2,281	\$ 2,230	\$ (51)

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY ADMINISTRATIVE FUND

	Year Ended December 31,		
	2002		2001
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Other		\$ 91	\$ 91
Total Receipts	\$ -	91	91
DISBURSEMENTS			
Expenses		54	(54)
Total Disbursements	-	54	(54)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	37	37
CASH, JANUARY 1	-	-	-
CASH, DECEMBER 31	\$ -	\$ 37	\$ 37

The accompanying Notes to the Financial Statements are an integral part of these statements.

DAVIESS COUNTY, MISSOURI  
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 BOND FORFEITURE FUND

	Year Ended December 31,		
	2002		2001
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Other		\$ 4,670	\$ 4,670
Total Receipts	\$ -	4,670	4,670
DISBURSEMENTS			
Expenses		3,208	(3,208)
Total Disbursements	-	3,208	(3,208)
RECEIPTS OVER (UNDER) DISBURSEMENTS	-	1,462	1,462
CASH, JANUARY 1	-	-	-
CASH, DECEMBER 31	\$ -	\$ 1,462	\$ 1,462

The accompanying Notes to the Financial Statements are an integral part of these statements.

## Notes to the Financial Statements

## DAVIESS COUNTY, MISSOURI

### NOTES TO THE FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDING DECEMBER 31, 2002 AND 2001

#### 1. Summary of Significant Accounting Policies

##### A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Daviess County, Missouri, (County) and comparisons of such information with the corresponding budgeted information for various funds of the County. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected County official, the Central Dispatch for Emergency Services Board, the Health Center Board, or the Developmentally Disabled Board. The General Revenue Fund is the County's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

##### B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

##### C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various County funds in accordance with Sections 50.525 through 50.745, RSMo 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the County did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Recorder Tech Fund	2001
Associate Circuit Interest Fund	2001 and 2002
Prosecuting Attorney Administrative Fund	2002
Bond Forfeiture Fund	2002

## DAVIESS COUNTY, MISSOURI

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEARS ENDING DECEMBER 31, 2002 AND 2001

#### C. Budgets and Budgetary Practices (Continued)

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Prosecuting Attorney Training Fund	2001
Prosecuting Attorney Check Processing Fund	2001 and 2002
Prosecuting Attorney Retirement Fund	2001
Associate Circuit Interest Fund	2001 and 2002
Law Library Fund	2001 and 2002
Prosecuting Attorney Administrative Fund	2002
Bond Forfeiture Fund	2002

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

#### D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the County. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

<u>Fund</u>	<u>Years Ended December 31,</u>
Health Center Fund	2001 and 2002
Central Dispatch for Emergency Services Fund	2001 and 2002
Developmentally Disabled Fund	2001 and 2002
Circuit Clerk Interest Fund	2001 and 2002
Associate Circuit Interest Fund	2001 and 2002
Law Library Fund	2001 and 2002
Prosecuting Attorney Administrative Fund	2002
Bond Forfeiture Fund	2002



## DAVISS COUNTY, MISSOURI

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) AS OF AND FOR THE YEARS ENDING DECEMBER 31, 2002 AND 2001

#### 2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The County has not adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The County's deposits at December 31, 2001 and 2002, were entirely covered by federal depositary insurance or by collateral securities held by the County's custodial bank in the County's name.

The Health Center Board's and Developmentally Disabled Board's deposits at December 31, 2001 and 2002, were entirely covered by federal depositary insurance.

The Central Dispatch for Emergency Services Board's deposits at December 31, 2001 and 2002, were entirely covered by federal depositary insurance or by collateral securities held by the Central Dispatch for Emergency Services Board's custodial bank in the Central Dispatch for Emergency Services Board's name.

#### 3. Contingent Liability

The County paid a general contractor to build Bridge No. 28900181, Project No. BRO-031(19). Subsequently, the County was notified that the general contractor had not yet paid approximately \$51,000 in total to sub-contractors and suppliers. The general contractor has discontinued business, and the party ultimately responsible for the liability is not yet known.

## Supplementary Schedule

## Schedule

 DAVIESS COUNTY, MISSOURI  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Year Ended December 31	
			2002	2001
U. S. DEPARTMENT OF AGRICULTURE				
	Passed through state Department of Health:			
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ERS045	\$ 38,094	\$ 31,572
10.564	Health Children Nutrition Ed Initiative	SDA42300006		13,329
	Total pass-through programs		38,094	44,901
	Total U.S. Department of Agriculture		38,094	44,901
U. S. DEPARTMENT OF JUSTICE				
	Passed through state Deapartment of Public Safety:			
16.554	Criminal History Records Improvement Program	95-RU-RX-K011		5,889
16.592	Local Law Enforcement Block Grant Program	N/A	5,240	
16.unknown	Domestic Cannibus Eradication/Suppression Program	N/A	1,034	
	Total pass-through programs		6,274	5,889
	Total U.S. Department of Justice		6,274	5,889
U. S. DEPARTMENT OF TRANSPORTATION				
	Passed through state:			
	Highway and Transportation Commission -			
20.205	Highway Planning and Construction	BRO-031(19)	77	171,174
		BRO-031(20)	152,609	80,914
		BRO-031(21)	260,104	26,054
		BRO-031(22)	16,899	
			429,689	278,142
	Department of Public Safety -			
20.703	Local Emergency Planning Committee Grant	N/A	5,692	3,659
	Total pass-through programs		435,381	281,801
	Total U. S. Department of Transportation		435,381	281,801

(continued)

## Schedule

## DAVIESS COUNTY, MISSOURI

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Continued

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31	
			2002	2001
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state Department of Health:				
93.268	Immunization Grants	PG0064	2,705	420
	Immunization Grants - Vaccine	N/A	27,580	23,435
			30,285	23,855
93.575	Child Care and Development Block Grant			
	Local Sanitation Inspections of Child Care Facilities	PGA067		685
	Child Care Health Consultation	PGA067	1,120	684
			1,120	1,369
93.945	Assistance Programs for Chronic Disease Prevention and Control			
	Cardiovascular Health Programs	DH03005002	5,000	
93.991	Preventative Health and Health Services Block Grant			
	Worksite Wellness Inventory	N/A	800	
93.994	Maternal and Child Health Services			
	Block Grants to States	ERS146	14,263	14,740
	Block Grants to States - Vaccine	N/A	296	2,624
			14,559	17,364
Total pass-through programs			51,764	42,588
Total U.S. Department of Health and Human Services			51,764	42,588
Total Expenditures of Federal Awards			\$531,513	\$375,179

N/A - Not applicable

The accompanying Notes to the Supplementary Schedule are an integral part of this schedule.

## Notes to the Supplementary Schedule

DAVIESS COUNTY, MISSOURI

NOTES TO THE SUPPLEMENTARY SCHEDULE  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2002 AND 2001

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Daviess County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals....

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

DAVIESS COUNTY, MISSOURI

NOTES TO THE SUPPLEMENTARY SCHEDULE (CONTINUED)  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2002 AND 2001

C. Basis of Accounting (Continued)

Of the pass-through amounts for the Immunization Grants (CFDA number 93.268) program, \$27,580 and \$23,435 represent the original acquisition cost of other vaccines purchased by the Centers for Disease Control but distributed to the Health Center through the state Department of Health during the years ended December 31, 2002 and 2001. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$297 and \$2,623 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 2002 and 2001. The remaining amounts for Immunization Grants and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

The County provided no federal awards to subrecipients during the years ended December 31, 2002 and 2001.

FEDERAL AWARDS -  
SINGLE AUDIT SECTION



## Independent Auditors' Report

# ARTHUR WHITE & ASSOCIATES, L.L.C.

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## CERTIFIED PUBLIC ACCOUNTANTS

302 Main Street  
Tarkio, Missouri 64491  
Telephone (660) 736-5811  
Fax (660) 736-4364

Offices also located in:  
St. Joseph, Missouri  
Rock Port, Missouri

### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

May 29, 2003

To the County Commission  
and  
Officeholders of Daviess County, Missouri

#### Compliance

We have audited the compliance of Daviess County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2002 and 2001. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Daviess County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2002 and 2001.

### Internal Control Over Compliance

The management of Daviess County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Daviess County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials and should not be used by anyone other than these specified parties.

Original Signed by Auditor

ARTHUR WHITE & ASSOCIATES, L.L.C.

Schedule

DAVIESS COUNTY, MISSOURI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 2002 AND 2001

**Section I - Summary of Auditors' Results**

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?        yes   X   no

Reportable conditions identified that are  
not considered to be material weaknesses?   X   yes        none reported

Noncompliance material to the financial statements  
noted?   X   yes        no

Federal Awards

Internal control over major program:

Material weaknesses identified?        yes   X   no

Reportable conditions identified that are  
not considered to be material weaknesses?        yes   X   none reported

Type of auditors' report issued on compliance for  
major program: Unqualified

Any audit findings disclosed that are required to be  
reported in accordance with Section .510(a) of OMB  
Circular A-133?        yes   X   no

Identification of major program:

CFDA or Other Identifying Number	Program Title
<u>20.205</u>	<u>Highway Planning and Construction</u>

DAVIESS COUNTY, MISSOURI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 2002 AND 2001

Dollar threshold used to distinguish between Type A  
and Type B programs:

\$300,000

Auditee qualified as a low-risk auditee?

\_\_\_\_\_ yes      X   no

**Section II - Financial Statement Findings**

This section includes the audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

02-1 Special Road and Bridge Fund Administrative Service Fee

Condition: As Exhibit B-2 illustrates, budgeted expenditures exceeded actual expenditures of the Special Road and Bridge Fund during the years ended December 31, 2002 and 2001, by \$563,472 and \$1,011,929, respectively. Bridge projects being budgeted in full even if only a portion of the project will be completed. The uncompleted portion of the projects is budgeted again in the subsequent year, causing the total amount budgeted for the project to be inflated. Similar conditions were noted in the prior audit report.

Criteria: Section 50.515, RSMo, 2000, allows the County Commission to impose an administrative service fee on the Special Road and Bridge Fund. The fee is statutorily limited to a maximum of 3 percent of the Special Road and Bridge Fund budget.

Effect: While Daviess County transferred less than 3 percent of budgeted expenditures, had a more reasonable budget estimate or actual disbursements been used, the transfer amounts to the General Revenue fund would have been approximately \$47,000 less during the audit period.

Recommendations: We recommend that the County Commission review procedures used to establish the annual Special Road and Bridge Fund budget and prepare more reasonable budgets. The County Commission should also limit the administrative service fee to 3 percent of actual or reasonable budgeted expenditures of that fund.

Auditee's response: We will attempt to make our budgets for Special Road and Bridge Fund as reasonable as possible in the future to ensure the administrative service fee transfer is based upon a reasonable amount.

DAVISS COUNTY, MISSOURI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 2002 AND 2001

02-2 Closed Meeting Minutes

Condition: Section 610.021, RSMo 2000, allows the County Commission to close meetings to the extent the meetings related to certain subjects, including litigation, real estate transactions, and personnel matters. The County Commission held several closed sessions during the two years ended December 31, 2002, and while the regular meeting minutes did appear to disclose the reason for entering into closed session, minutes were not maintained for the closed portion of the meetings. In addition, the actions taken by the Commission in closed meetings are not generally recorded in the regular minutes. Similar conditions were noted in the prior audit report.

Criteria: Section 51.120, RSMo 2000, requires the County Clerk to keep an accurate record of the orders, rules, and proceedings of the County Commission. Minutes constitute the official record of proceedings of the County Commission. Failure to maintain accurate minutes results in an inadequate record of the County Commission's actions, proceedings, and decisions. In addition, without adequate minutes, the County Commission cannot demonstrate that actions taken or business conducted during closed sessions related solely to the specific allowable reason announced for closing the meeting.

Effect: The County is not in compliance with Section 51.120, RSMo 2000.

Recommendation: We recommend that the County Clerk ensure minutes are prepared, approved, and retained for all closed meetings.

Auditee's Response: We do not plan to have closed meetings in the future.

02-3 Budgetary Practices

A. Condition: As noted in note 1C in the notes to the financial statements, the County did not adopt budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Recorder Technology Fund	2001
Associate Circuit Interest Fund	2001 and 2002
Prosecuting Attorney Administrative Fund	2002
Bond Forfeiture Fund	2002

Criteria: The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various County funds in accordance with Section 50.525 through 50.745, RSMo 2000, the County budget law.

DAVIESS COUNTY, MISSOURI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 2002 AND 2001

02-3 Budgetary Practices

Effect: The County is not in compliance with the County budget law.

- B. Condition: As noted in note 1C in the notes to the financial statements, warrants were issued in excess of approved budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Prosecuting Attorney Training Fund	2001
Prosecuting Attorney Check Processing Fund	2001 and 2002
Prosecuting Attorney Retirement Fund	2001
Associate Circuit Interest Fund	2001 and 2002
Law Library Fund	2001 and 2002
Prosecuting Attorney Administrative Fund	2002
Bond Forfeiture Fund	2002

Criteria: Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

Effect: The County is not in compliance with Section 50.740, RSMo 2000.

Recommendations: We recommend

- A. The County adopt a budget for all funds.
- B. Warrants not be issued in excess of budgeted funds.

Auditee's response:

- A. We will budget all funds in the future.
- B. We will try to be more careful in the future and amend budgets when necessary.



DAVIESS COUNTY, MISSOURI

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 2002 AND 2001

02-4 Published Financial Statements

Condition: As noted in note 1D in the notes to the financial statements, the County's published financial statements do not include the following County funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Health Center Fund	2001 and 2002
Central Dispatch for Emergency Services Fund	2001 and 2002
Developmentally Disabled Fund	2001 and 2002
Circuit Clerk Interest Fund	2001 and 2002
Associate Circuit Interest Fund	2001 and 2002
Law Library Fund	2001 and 2002
Prosecuting Attorney Administrative Fund	2002
Bond Forfeiture Fund	2002

Criteria: Sections 50.800 and 50.810, RSMo 2000, require publishing in a local newspaper a detailed annual financial statement for the County.

Effect: The County is not in compliance with Sections 50.800 and 50.801, RSMo 2000.

Recommendation: The County ensure financial information for all County funds be properly reported in the annual published financial statements.

Auditee's response: We will attempt to publish financial statements for all funds in the future.

**Section III - Federal Award Findings and Questioned Costs**

This section includes no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

DAVIESS COUNTY, MISSOURI

FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, this section reports the auditors' follow-up on action taken by Lewis County, Missouri, on findings in the Management Advisory Report (MAR) of the audit report issued by the State Auditor's office for the two years ended December 31, 2000.

The prior recommendations, which have not been implemented, but are considered significant, are repeated in the current findings that *Government Auditing Standards* requires to be reported for an audit of financial statements. Although the remaining unimplemented recommendations are not repeated, the County should consider implementing those recommendations.

1. Special Road and Bridge Fund Administrative Service Fee

The budgets for the Special Road and Bridge Fund did not present a reasonable estimate of the fund's expenditures. Budgeted expenditures significantly exceeded actual expenditures.

Recommendation:

The County Commission review procedures used to establish the annual Special Road and Bridge Fund budget and prepare more reasonable budgets. The County Commission should also limit the administrative service fee to three percent of actual or reasonable budgeted expenditures of the fund.

Status:

Not implemented. See finding 02-1.

2. Central Dispatch for Emergency Services

A. The Central Dispatch for Emergency Services Board approved expenditures in excess of the approved budgeted amounts. In addition, no formal budget amendments were filed with the County or the State Auditor's office, although Board minutes indicated budgets were amended.

B. The Board's budgets were not complete or accurate. A cash reconciliation was not included in the budget and cash balances were incorrect.

DAVIESS COUNTY, MISSOURI

FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS* (CONTINUED)

2. Central Dispatch for Emergency Services (Continued)

Recommendations:

The Central Dispatch for Emergency Services Board:

- A. Keep expenditures within budgetary limits and ensure maintenance of accurate accounting records and an effective financial reporting system to accurately monitor budgeted and actual financial activity.
- B. Ensure budgets are accurate and complete.

Status:

- A. Implemented.
- B. Implemented.

3. Closed Meeting Minutes

The County Commission held several closed sessions during regular meetings but did not maintain minutes for the closed portion of the meetings. In addition, actions taken by the Commission in closed meetings were not generally recorded in the regular minutes.

Recommendations:

The County Clerk ensure minutes are prepared, approved, and retained for all closed meetings.

Status:

Not implemented. See Finding 02-2.

4. Ex Officio Recorder of Deeds Accounting Controls and Procedures

- A. Receipts are not deposited intact.
- B. Petty cash is not maintained on an imprest basis. Worksheets of receipts and expenditures are not reconciled to cash.

DAVIESS COUNTY, MISSOURI

FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS* (CONTINUED)

4. Ex Officio Recorder of Deeds Accounting Controls and Procedures (Continued)

- C. The method of payment received (cash, check, or money order) is not recorded on the Ex Officio Recorder of Deeds' abstract of fees.

Recommendations:

- A. Deposit all monies intact and write checks for all disbursements.
- B. Maintain the petty cash fund on an imprest basis or, at minimum, reconcile copy monies received and reported on worksheets to deposits.
- C. Record the method of payment of the receipt records and reconcile the cash, checks, and money orders received to the composition of bank deposits.

Status:

- A. Implemented.
- B. Implemented. The petty cash system has been discontinued and converted to a change fund only.
- C. Implemented.

5. Health Center Board

- A. Bonuses were given to employees for services previously rendered. As such, the bonuses were in violation of the Missouri Constitution.
- B. Minutes were not prepared to document matters discussed in closed meetings and board minutes did not always indicate the reasons for closing the meetings.

Recommendations:

- A. Discontinue the practice of paying employee bonuses.
- B. Ensure minutes are prepared for all closed meetings and document the reasons for closing the meetings in Board minutes.

DAVIESS COUNTY, MISSOURI

FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS* (CONTINUED)

5. Health Center Board (Continued)

Status:

- A. Implemented.
- B. Partially implemented. The Board has discontinued having regular closed meetings. Only one such meeting was noted. However, no separate minutes were prepared for that meeting. Although not repeated in the current report, the recommendation remains the same as stated above.

Summary Schedule of Prior Audit Finding  
in Accordance With OMB Circular A-133

DAVIESS COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

This section represents the Summary Schedule of Prior Audit Findings, which was prepared by the County's management.

00-1 Cash Management

Federal Grantor:	U.S. Department of Transportation
Pass-Through Grantor:	State Highway and Transportation Commission
Federal CFDA Number:	20.205
Program Title:	Highway Planning and Construction
Pass-Through Entity	
Identifying Number:	BRO-031(14), BRO-031(16), BRO-031(18)
Award Year:	1998 and 1999
Questioned Costs:	Not Applicable

Davies County had not established cash management procedures to ensure the minimum time elapses between its receipt of federal project monies and the disbursement of such monies to contractors.

Recommendation: The County Commission establish procedures to minimize the time elapsed between the receipt of federal funds and the disbursement of such funds.

Status: Implemented.